

IPC CORPORATION LTD
(Company Registration No. 198501057M)
Full Year Financial Statement

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3),
 HALF-YEAR AND FULL YEAR RESULTS**

- 1(a) An income statement and statement of comprehensive income or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	2020	Group 2019	Increase/ (decrease)
	S\$'000	Audited S\$'000	%
Sales	5,412	3,565	51.8
Cost of sales	(6,482)	(3,419)	89.6
Gross profit/(loss)	(1,070)	146	NM
Other income	671	682	(1.6)
Other gains/(losses), net	(23,248)	(11,760)	97.7
Expenses			
Distribution and marketing	(253)	(342)	(26.0)
Administrative	(3,770)	(4,603)	(18.1)
Finance	(622)	(588)	5.8
	(4,645)	(5,533)	(16.0)
Profit/(loss) before income tax	(28,292)	(16,465)	71.8
Income tax credit/(expense) (ii)	(137)	(242)	(43.4)
Total profit/(loss)	(28,429)	(16,707)	70.2
Other comprehensive income/(loss)			
Items that may be reclassified subsequently to profit or loss:			
Financial assets, at FVOCI			
- Reclassification upon redemption	-	(8)	(100.0)
Currency translation gain/(loss) arising from consolidation	3,243	(1,937)	NM
Items that will not be reclassified subsequently to profit or loss:			
Financial assets, at FVOCI			
- Fair value gain/(loss) – equity investments	871	39	NM
Other comprehensive income/(loss), net of tax	4,114	(1,906)	NM
Total comprehensive income/(loss)	(24,315)	(18,613)	30.6

(i) Profit/(loss) is arrived at after charging/(crediting) the following:

	2020	Group 2019	Increase/ (decrease)
	S\$'000	Audited S\$'000	%
Amortisation of prepaid leasehold land	461	454	1.5
Depreciation (Note 5)	1,609	1,792	(10.2)
Foreign exchange losses/(gains), net (Note 7)	(213)	198	NM
Write-down on properties developed for sale (Note 3)	4,288	–	NA
Write-down on properties held for sale (Note 3)	604	–	NA
Gain on redemption of financial assets, at FVOCI	–	(62)	(100.0)
Reclassification from OCI upon redemption of financial assets, at FVOCI	–	(8)	(100.0)
Fair value loss/(gain) on financial assets, at FVPL (Note 3)	18,568	11,631	59.6
Write-off of other receivables	1	1	–
Interest income (Note 6)	(27)	(139)	(80.6)
Interest expenses	622	588	5.8
(ii) Income tax expense/(credit)			
Foreign taxes			
- Land appreciation tax expenses	137	11	NM
Under/(over) provision in prior financial years:			
- Foreign taxes	-	(319)	(100.0)
- Accrued sales tax	-	(62)	(100.0)
Written-off of tax recoverable	-	612	(100.0)
	<u>137</u>	<u>242</u>	<u>(43.4)</u>

Notes

1. Sales

The significant increase for the financial year under review compared to the previous financial year was mainly attributed to the increase in the sales of the properties developed for sale located at Zhuhai, China.

2. Gross profit/(loss)

The gross loss for FY2020 was mainly due to the loss arising from the sales of the properties developed for sale located at Zhuhai, China and from the operating losses from Grand nest HOTEL zhuhai because of record lows in both OCC and ADR which were negatively impacted during the COVID-19 pandemic in China.

3. Other gains/(losses), net

The increase in other losses was mainly due to fair value loss of S\$18.568 million on financial assets, at FVPL which relates to the Group's preference shares investment in Nest Hotel Japan Corporation ("NHJC"), a company incorporated in Japan, and the write-down on the properties in Zhuhai, China of S\$4.892 million. NHJC's business was negatively impacted by COVID-19, hence the fair value loss.

4. Distribution and marketing expense and Administrative expense

The decrease was mainly due to lesser cost incurred in the operations of Zhuhai, China and other cost cutting measures implemented, including where directors have voluntarily took a 20% reduction in their remuneration for FY2020.

5. Depreciation

The decrease was mainly due to more property, plant and equipment that were fully depreciated during the financial year compared with FY2019.

6. Interest income

The decrease in interest income was mainly due to the absence of bond interest income and lower fixed deposit interest income.

7. The movement in the exchange rates of United States Dollar, Hong Kong Dollar and Renminbi against the Singapore Dollar was mainly unrealised, due to recorded monetary balances denominated in foreign currencies that were adjusted to reflect the Singapore Dollars equivalent at the end of the reporting period.

NM: Not meaningful (change more than 100%)

NA: Not applicable

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement at the end of the immediately preceding financial year.

STATEMENTS OF FINANCIAL POSITION

	<u>Group</u>		<u>Company</u>	
	31 Dec 2020	31 Dec 2019 Audited	31 Dec 2020	31 Dec 2019 Audited
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	8,099	7,440	3,607	3,339
Trade and other receivables (i)	754	643	169	155
Properties developed for sale (ii)	11,040	18,349	–	–
Properties held for sale (iii)	2,526	2,986	–	–
Other assets (iv)	45	39	–	–
	<u>22,464</u>	<u>29,457</u>	<u>3,776</u>	<u>3,494</u>
Non-current assets				
Financial assets, at FVPL (v)	4,352	22,920	4,352	22,920
Financial assets, at FVOCI (vi)	1,334	463	–	–
Prepayment (vii)	37	73	–	–
Investment in associated companies	–	–	–	–
Investment in subsidiaries	–	–	61,449	87,411
Prepaid leasehold land	19,446	18,457	–	–
Property, plant and equipment	27,263	27,393	999	1,438
	<u>52,432</u>	<u>69,306</u>	<u>66,800</u>	<u>111,769</u>
Total assets	<u>74,896</u>	<u>98,763</u>	<u>70,576</u>	<u>115,263</u>
LIABILITIES				
Current liabilities				
Trade and other payables	2,141	2,153	244	200
Current income tax liabilities	11	11	–	–
Lease liabilities	285	277	285	277
Borrowings (viii)	5,201	774	–	–
	<u>7,638</u>	<u>3,215</u>	<u>529</u>	<u>477</u>
Non-current liabilities				
Lease liabilities (ix)	8	301	8	301
Borrowings (viii)	3,655	7,337	–	–
	<u>3,663</u>	<u>7,638</u>	<u>8</u>	<u>301</u>
Total liabilities	<u>11,301</u>	<u>10,853</u>	<u>537</u>	<u>778</u>
NET ASSETS	<u>63,595</u>	<u>87,910</u>	<u>70,039</u>	<u>114,485</u>
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	33,190	33,190	33,190	33,190
Currency translation reserve	(2,365)	(5,608)	–	–
Fair value reserve	(1,486)	(2,357)	–	–
Retained earnings	34,256	62,685	36,849	81,295
Total equity	<u>63,595</u>	<u>87,910</u>	<u>70,039</u>	<u>114,485</u>

Notes

- (i) The increase in trade and other receivables was mainly due to increase in the outstanding amount from the operations in Zhuhai, China.
- (ii) The decrease was mainly due to the disposal and write-down of the properties developed for sale in Zhuhai, China.
- (iii) The decrease was due to write-down in properties held for sale in Zhuhai, China.
- (iv) The increase in other assets was mainly due to the increase in the inventories from the operations in Zhuhai, China.
- (v) The decrease in the financial assets, at FVPL was due to the fair value loss on our preference shares investment in NHJC.
- (vi) The increase in financial assets, at FVOCI was due to the fair value gains.
- (vii) The decrease in prepayment was mainly due to the utilisation of the prepayment from the operations in Zhuhai, China.
- (viii) The increase in the borrowings in current liabilities was mainly due to the reclassification from non-current liabilities.
- (ix) The decrease in non-current lease liabilities was mainly due to reclassification to current lease liabilities.

1 (b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

<u>Group</u>		<u>Group</u>	
As at 31 December 2020		As at 31 December 2019	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
5,201	Nil	774	Nil

Amount repayable after one year

<u>Group</u>		<u>Group</u>	
As at 31 December 2020		As at 31 December 2019	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
3,655	Nil	7,337	Nil

Details of any collateral

The Group's borrowings were secured by pledge of certain prepaid leasehold land and certain buildings in Zhuhai, China.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF CASH FLOWS

	2020	Group 2019 Audited
	\$'000	\$'000
Cash flows from operating activities		
Total profit/(loss)	(28,429)	(16,707)
Adjustments for		
- Income tax expense/(credit)	137	242
- Amortisation of prepaid leasehold land	461	454
- Depreciation of property, plant and equipment	1,609	1,792
- Unrealised currency translation losses/(gains)	(96)	198
- Gain on redemption of financial assets, at FVOCI	-	(62)
- Write-down on properties developed for sale	4,288	-
- Write-down on properties held for sale	604	-
- Fair value loss/(gain) on financial assets, at FVPL	18,568	11,631
- Write-off of other receivables	1	1
- Interest income	(27)	(139)
- Interest expense	622	588
	(2,262)	(2,002)
Change in working capital		
- Other assets	(6)	(2)
- Properties	3,888	37
- Trade and other receivables	(75)	(32)
- Trade and other payables	(12)	(608)
Cash generated from/(used in) operations	1,533	(2,607)
Interest received	27	139
Income tax paid, net	(137)	-
Net cash provided by/(used in) operating activities	1,423	(2,468)
Cash flows from investing activities		
Purchases of property, plant and equipment	(122)	(167)
Redemption of financial assets, at FVOCI	-	877
Net cash provided by/(used in) investing activities	(122)	710
Cash flows from financing activities		
Interest paid	(622)	(588)
Proceeds from borrowings	399	3,948
Repayment of borrowings	(80)	(3,751)
Principal payment of lease liabilities	(316)	(305)
Net cash provided by/(used in) financing activities	(619)	(696)
Net increase/(decrease) in cash and cash equivalents	682	(2,454)
Cash and cash equivalents at beginning of financial year	7,440	9,974
Effects of currency translation on cash and cash equivalents	(23)	(80)
Cash and cash equivalents at end of financial year	8,099	7,440

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENT OF CHANGES IN EQUITY – GROUP	Attributable to Equity Holders of the Company				
	Share capital S\$'000	Currency translation reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000
2020					
As at 1 January	33,190	(5,608)	(2,357)	62,685	87,910
Total comprehensive income/(loss) for the period					
Profit/(loss) for the period	–	–	–	(28,429)	(28,429)
Other comprehensive income/(loss) for the period	–	3,243	871	–	4,114
	–	3,243	871	(28,429)	(24,315)
As at 31 December	33,190	(2,365)	(1,486)	34,256	63,595

STATEMENT OF CHANGES IN EQUITY – GROUP	Attributable to Equity Holders of the Company				
	Share capital S\$'000	Currency translation reserve S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total S\$'000
2019					
As at 1 January	33,190	(3,671)	(2,388)	79,392	106,523
Total comprehensive income/(loss) for the year					
Profit/(loss) for the year	–	–	–	(16,707)	(16,707)
Other comprehensive income/(loss) for the year	–	(1,937)	31	–	(1,906)
	–	(1,937)	31	(16,707)	(18,613)
As at 31 December	33,190	(5,608)	(2,357)	62,685	87,910

STATEMENT OF CHANGES IN EQUITY – COMPANY	Share capital S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total Equity S\$'000
2020				
As at 1 January	33,190	–	81,295	114,485
Total comprehensive income/(loss) for the period				
Profit/(loss) for the period	–	–	(44,446)	(44,446)
As at 31 December	33,190	–	36,849	70,039

STATEMENT OF CHANGES IN EQUITY – COMPANY	Share capital S\$'000	Fair value reserve S\$'000	Retained earnings S\$'000	Total Equity S\$'000
2019				
As at 1 January	33,190	8	102,506	135,704
Total comprehensive income/(loss) for the year				
Profit/(loss) for the year	–	–	(21,211)	(21,211)
Other comprehensive income/(loss) for the year	–	(8)	–	(8)
	–	(8)	(21,211)	(21,219)
As at 31 December	33,190	–	81,295	114,485

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Not applicable.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The total number of issued shares as at 31 December 2020 was 85,291,885 (31 December 2019: 85,291,885). There is no treasury share for both periods.

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There is no treasury share as at the end of the current financial period.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

There is no subsidiary holding as at the end of the current financial period.

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditor.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies and methods of computations applied by the Group are consistent with those used in its audited financial statements as at 31 December 2019, except for those as disclosed under item 5 below.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Amendments to SFRS(I) 3 *Business Combination* (effective for annual periods beginning on or after 1 January 2020)

The amendments provide new guidance on the assessment of whether an acquisition meets the definition of a business under SFRS(I) 3.

These amendments are applied to business combinations and asset acquisitions with acquisition date on or after 1 January 2020. Early application is permitted. There were no impact arising from applying these amendments.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	<u>Group</u>	
	2020	2019 Audited
Earning/(loss) per ordinary share of the Group for the year, after deducting any provision for preference dividends:-		
(i) Based on the weighted average number of ordinary shares on issue (in cents)	(33.33)	(19.59)
(ii) On a fully diluted basis (in cents)	(33.33)	(19.59)

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-
(a) current financial period reported on; and
(b) immediately preceding financial year.**

	<u>Group</u>		<u>Company</u>	
	31 Dec 2020	31 Dec 2019 Audited	31 Dec 2020	31 Dec 2019 Audited
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares at the end of the financial year:-	S\$0.75	S\$1.03	S\$0.82	S\$1.34
Number of existing issued shares excluding treasury shares at end of the financial year:	85,291,885	85,291,885	85,291,885	85,291,885

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

The Group recorded sales of S\$5.412 million for the financial year ended 31 December 2020 compared to S\$3.565 million for the previous corresponding financial period. The increase was mainly due to the sales of the properties developed for sale located at Zhuhai, China, offset by the decrease in sales from Grand nest HOTEL zhuhai.

The Group recorded a gross loss of S\$1.070 million for the financial year ended 31 December 2020 compared to a gross profit of S\$0.146 million for the previous financial year. The gross loss for the financial period under review was due to the loss arising from the sales of the properties developed for sale located at Zhuhai, China and operating losses from Grand nest HOTEL zhuhai as its business was negatively impacted during the COVID-19 pandemic in China with a record lows in OCC and ADR.

Amid the COVID-19 pandemic, the Group implemented cost cutting measures, including where directors voluntarily offered a reduction of 20% of their FY2020 remuneration. This demonstrates the collective commitment to lessen the financial burden of the Group during this unprecedented period. Such action has reduced the administrative cost by approximately \$0.800 million during the period under review.

The other losses of S\$23.248 million in FY2020 was due to fair value loss of S\$18.568 million on financial assets, at FVPL which relates to the Group's preference shares investment in NHJC, and the write-down on the properties in Zhuhai, China of S\$4.892 million. NHJC's business was negatively impacted by COVID-19, hence the fair value loss.

The valuation of NHJC for the financial year ended 31 December 2020 was undertaken by the same independent international valuer from Japan who did the valuation for FY2019. The methodology and bases for the valuation were the same as those of the FY2019 valuation. Fair value measurement was derived using the Option Pricing Models to determine the valuation of the NHJC preference shares. Part of the preference shares valuation was the equity valuation which was determined based on the income approach for the financial year ended 31 December 2020. Key assumptions included the projected revenue growth, discount rate, terminal growth rate, discount for lack of control and discount for lack of marketability. Due to the heightened uncertainty of the COVID-19 outbreak, the valuation may be subjected to more fluctuation than during normal market conditions.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:- (continued)

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

The material assumptions used in the computation of the valuation that varied between the valuation reports as at 31 December 2020 and 31 December 2019 are as follows:

	31 Dec 2020	31 Dec 2019
Discount rate	10.1%	7.4%
Terminal growth rate	0.4%	0.7%
Revenue growth rate *	15.4% - 73.5%	2.1% - 18.4%
Market multiple **	Not applicable	11.4x – 13.4x
Discount on lack of control and marketability	40%	40%

** Actual revenue achieved in FY2020 has declined by 66% from the actual revenue in FY2019, as a result of the COVID-19 pandemic. Future forecast of revenue growth has taken into account this decline in revenue in FY2020, which resulted in a significantly lower base year cash flows. As the revenue growth rate is projected upon the base year cash flows, this resulted in the significant range of the revenue growth rate projected. It is assumed that the operations will recover from the COVID-19 from year 2023 onwards.*

*** Market multiples fell into a negative range which makes it Not Applicable for FY2020.*

The valuation of property related assets for the financial year ended 31 December 2020 was undertaken by the independent valuer from China. The realisable values and recoverable amounts were determined using an average of the direct comparison method and income method. Key assumptions included the capitalisation rate and rental growth rate.

The key assumptions used in the computation of the valuation that as at 31 December 2020 are as follows:

Properties developed for sale and Properties held for sale:

	31 Dec 2020
Capitalisation rate	5.0% - 5.5%
Rental growth rate	2.5% - 3.5%

Prepaid leasehold land and Property, plant and equipment:

	31 Dec 2020
Capitalisation rate	5.5%
Rental growth rate	3.0%

The Group recorded a loss before tax of S\$28.292 million and a loss after tax of S\$28.429 million for the financial year ended 31 December 2020.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The commentary under paragraph 10 of the Group's previous results announcement (Q2 FY2020) are in line with the actual results.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Due to the recurrence of COVID-19 infections in China since late 2020, the Chinese government has issued directives to restrict travelling as well as holding physical events and conferences. As a result, Grand nest HOTEL zhuhai was faced with cancellation of conferences as well as room reservations since Jan 2021. The Group expects another challenging year for the business of Grand nest HOTEL zhuhai unless the spread of COVID-19 pandemic is very much under control and business returns to normalcy.

In Japan, out of the 15 hotels under NHJC's management, 2 hotels in Osaka have their operations suspended since mid-Jan 2021 as the number of new cases has spiked and the Japanese government has put major parts of Japan under the State of Emergency. Resumption of operation for the said 2 hotels is highly dependent on the control of the COVID-19 pandemic situation which cannot be determined.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months. (continued)

NHJC was supposed to have 6 new secured hotels in the pipeline, but in the later part of 2020, there was a cancellation of 3 hotels, hence resulting in 3 new secured hotels in the pipeline. The opening dates of the new hotels remain fluid due to the uncertainty caused by the COVID-19 pandemic.

In view of the COVID-19 pandemic which has negatively impacted on the financial position of NHJC, it has initiated a cash injection to strengthen its capital base. NHJC has since managed to secure investments from an unrelated investor for JPY 500 million and JPY 50 million from existing sole common stock holder. IPC has chosen not to participate in this recapitalisation. The schedule for completion is on or about 31 January 2021. Post recapitalisation, IPC's preferred shares would be reduced from 80.8% to 42.8%.

The Group will stay focused on mitigating the negative impact resulting from COVID-19 on its operations and business.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommendeded, a statement to that effect and the reason(s) for the decision.

No dividend is declared/recommended for the current financial period. The Company is preserving its cash resources to pursue strategic business opportunities.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company does not have any general mandate from shareholders pursuant to Rule 920.

14. Confirmation Pursuant to Rule 720(1) of the Listing Manual.

IPC Corporation Ltd confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7.7.

15. Additional information required Pursuant to Rule 706A of the Listing Manual.

Not applicable.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

16. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recent audited annual financial statements, with comparative information for the immediately preceding year.**

	<u>Properties</u> <u>China</u> \$'000	<u>Hotel</u> <u>management</u> <u>China</u> \$'000	<u>Investment</u> <u>Japan</u> \$'000	<u>Other</u> <u>Singapore</u> \$'000	<u>Total</u> \$'000
Group					
2020					
Revenue and other income					
- external sales	3,516	1,896	-	-	5,412
- other income	440	36	-	195	671
- inter-segment income	261	-	-	-	261
	<u>4,217</u>	<u>1,932</u>	<u>-</u>	<u>195</u>	<u>6,344</u>
Cost of revenue and operating expenses					
	(4,379)	(2,219)	-	(2,459)	(9,057)
Inter-segment expense	-	(261)	-	-	(261)
Depreciation and amortisation	(1,377)	(224)	-	(469)	(2,070)
Other gains/(losses), net	(4,186)	(502)	(18,568)	8	(23,248)
Profit/(loss) before income tax	<u>(5,725)</u>	<u>(1,274)</u>	<u>(18,568)</u>	<u>(2,725)</u>	<u>(28,292)</u>
Total assets	<u>58,592</u>	<u>4,366</u>	<u>4,352</u>	<u>7,586</u>	<u>74,896</u>
Total assets include:					
Additions to:					
- property, plant and equipment	90	32	-	31	153
Total liabilities	<u>9,152</u>	<u>799</u>	<u>-</u>	<u>1,339</u>	<u>11,290</u>
2019					
Revenue and other income					
- external sales	43	3,522	-	-	3,565
- other income	477	45	-	160	682
- inter-segment income	256	-	-	-	256
	<u>776</u>	<u>3,567</u>	<u>-</u>	<u>160</u>	<u>4,503</u>
Cost of revenue and operating expenses					
	(296)	(3,257)	-	(3,153)	(6,706)
Inter-segment expense	-	(256)	-	-	(256)
Depreciation and amortisation	(1,663)	(427)	-	(156)	(2,246)
Other gains/(losses), net	-	(45)	(11,631)	(84)	(11,760)
Profit/(loss) before income tax	<u>(1,183)</u>	<u>(418)</u>	<u>(11,631)</u>	<u>(3,233)</u>	<u>(16,465)</u>
Total assets	<u>63,324</u>	<u>4,151</u>	<u>22,920</u>	<u>8,368</u>	<u>98,763</u>
Total assets include:					
Additions to:					
- property, plant and equipment	105	62	-	-	167
Total liabilities	<u>8,505</u>	<u>759</u>	<u>-</u>	<u>1,578</u>	<u>10,842</u>

20. Disclosure of person occupying a managerial position in the issuer of any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Ngiam Mia Je Patrick	66	Please see notes below	Chairman and Chief Executive Officer. Responsible for the overall management of the Group. The positions were held since 1992.	No change
Ngiam Mia Kiat Benjamin	64	Please see notes below	Managing Director. Responsible for the operations of the Group. The position was held since 1992.	No change
Lauw Hui Kian	64	Please see notes below	Executive Director (Finance & Administration) Controlling the administration and finance activities of the Group. The position was held since 1985.	No change
Ngiam Mia Hai Bernard	60	Please see notes below	Executive Director (Marketing & Corporate Communications, Business Development) Managing the marketing activities and corporate communications of the Group and engaging in business development/investment activities. The position was held since 1985.	No change
Ngiam Mia Hong Alfred	57	Please see notes below	Executive Director (Business Development & IT Solutions) Responsible for all aspects of the IT solutions of the Group and engage in business development/investment activities. The position was held since 1991.	No change

Notes:

- Ms Lauw Hui Kian is the spouse of Mr Ngiam Mia Je Patrick.
- Messrs Ngiam Mia Je Patrick, Ngiam Mia Kiat Benjamin, Ngiam Mia Hai Bernard and Ngiam Mia Hong Alfred are brothers.
- Mr Ngiam Mia Je Patrick, Mr Ngiam Mia Kiat Benjamin and Ms Lauw Hui Kian are also substantial shareholders of the Company.

BY ORDER OF THE BOARD

Lauw Hui Kian
Director
29 January 2021